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REMARKS

OF

HON. W. S. MILLER, OF NEW YORK,

ON THE BILL

“AUTHORIZING THE ISSUE OF TREASURY NOTES, A
LOAN, AND FOR OTHER PURPOSES,”

WHICH PASSED

THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,

JANUARY 21, 1847.

WASHINGTON:

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1847.

TO MY CONSTITUENTS.

I deem it my duty to publish the following speech, which I had prepared to deliver on the floor of the House of Representatives of the United States on the bill "authorizing the issue of Treasury notes, a loan, and for other purposes." In view of the constitutional organization of that body, a decent regard to public opinion would seem to require that all bills authorizing the creation of a *national debt* should there receive a deliberate consideration. Yet, on the 21st day of January instant, a bill for raising, on the credit of the United States, and a pledge of the public domain, the large sum of \$28,000,000 was called up and put on its passage by the arbitrary application of the *previous question*—allowing for discussion just *one hour and twenty minutes!*—without any exposition from the Secretary of the Treasury—without any *report* from the committee—without any *explanation* even from their chairman, of its effects upon the credit of the country, its currency; or its business. I privately appealed to the chairman of the committee reporting the bill, and other Administration members, to postpone its passage *one day only*, in order to give me and others a chance of being heard on its merits. But it was unavailing; no debate could be permitted! Thus are the most important measures, deeply involving the honor and welfare of the American people, hurried through the House without discussion, without illustration—whilst day after day is frequently consumed on some unimportant or frivolous subject.

If this system continues to be pursued, the House of Representatives might be superseded, without public loss or inconvenience, by the Treasury bureau, which dictates, in this instance, at least, its legislation.

WM. S. MILLER,

Representative of 3d Congressional district, New York.

WASHINGTON, January 22, 1847.

REMARKS.

Mr. CHAIRMAN: The Secretary of the Treasury comes into the market of the world for a loan of \$28,000,000! He must, in his emergency, apply to the capitalists of his own country or of Europe. He must negotiate on the Exchange of London, or the Bourse of Paris, or in Holland; or he must be accommodated in Wall street, State street, or Chestnut street. He is driven to deal with those odious monopolists, the banks, and to make himself at home with brokers and money dealers. The country is in war, and must have money.

Mr. Walker, then, must go to capitalists; and the first question which these gentlemen ask him is, "Well, Mr. Secretary, how stand the United States securities?" "Why," says Mr. Walker, "it must be confessed they are but poorly; they stood at 115 when I took hold of the Treasury; and now I find they are below par!" "But what other inducement can you hold out than a fall of about one per cent. a month in your securities? Give us some better proof of your financiering skill, Mr. Walker."

"I have reduced the tariff," says Mr. Walker, "till I find I cannot get along with the ordinary disbursements of Government without a tax on tea and coffee." "Good again," says the capitalist. "And what else have you done to facilitate your borrowing negotiation?" "I have prevailed upon Congress to christen sundry strong boxes in a certain act mentioned 'the Treasury of the United States,' and to set apart the gold and silver in the country for the special uses of the Government, to be weighed and counted, and piled up in my strong boxes."

Such are the inducements which the Secretary of the Treasury can hold out to the capitalists! It is on such arguments that he goes out to borrow money! The disastrous result of his measures on the credit of his country has no influence on him, and he obstinately persists in them, in contempt of the experience of mankind, and as if reckless at what cost to the nation he should avoid the humiliation of his own vanity and self-esteem. War to the knife against manufacturing establishments and protected industry! War to the knife against banking institutions and moneyed men! Crush them, trample them, strip them; and yet go to them, cap in hand, and modestly beg a loan of \$28,000,000, which would enable the Treasury, with the aid of their strong boxes and clumsy financiering, to beggar half the business men in the land.

Now, Mr. Chairman, we have got large loans to make. With the increasing expenses of a war extending daily the area of its operations, and with a remoter prospect of concluding it than we had at its commencement, it is idle to doubt that millions on millions of dollars will be required for its prosecution and completion. However we may regard this war, it will be carried on. Our fleets and armies must be maintained; supplies will be voted to any and every extent that may be deemed necessary, and our free Republic will be added to the long list of the nations which have squandered their substance in wars for the glory of their rulers, and the entailment of poverty, distress, debt, and dishonor upon the people.

The Mexican war will continue at an annual expense of \$50,000,000. And I am only anxious that it should be conducted at the cost of those who are waging it, and not at the cost of the rising or coming generations. You cannot legislate public stocks into a value which they do not intrinsically possess; and, by merely passing a loan bill, whether of stocks or Treasury notes, you cannot *substantially* relieve the distresses of the Secretary. By giving Mr. Walker authority *merely* to borrow money, you are doing nothing, absolutely nothing, to retrieve the waning credit and honor of the country. You are doing nothing to increase public confidence, or to enable him to borrow the first dollar with any additional facility. We may go on, sir, and raise the money in spite of a reduced tariff, in spite of a Subtreasury, in spite of a war with Mexico, in spite of increased expenditures and an increased debt. In spite of any and all these evils, on some terms or other, in some market or other, the United States can get all the money they want for this war, or any other war in which they may be unfortunately engaged. It is not the withholding of a petty tax upon tea and coffee; it is not the waging of a war of conquest and aggrandizement; it is not the accumulation of blundering and stupid measures of public policy, moral, military, or financial; it is not any one of these causes, nor all combined, that can utterly destroy the credit of twenty millions of people, backed by the resources of a continent, and enjoying the markets of the world. I admit, however, that these combined causes may compel even the United States to raise money at desperate sacrifices, and at discreditable rates; at sacrifices too desperate, and rates too discreditable, to authorize us to pass this bill, or any similar bill, whilst these causes are in full operation.

I am ready, however, to vote supplies to any extent the Administration may ask. The credit and honor of the country must be sustained, cost what it may. The bill specially provides that none of the proposed loan, or stocks, or notes, shall be issued *at less than par*. Do we not all know, sir, the *impossibility* of giving a fictitious value to public securities by legislation? This game has been tried in other countries, and laws have been passed making it *penal* in subjects to refuse the paper money of Government at its face. United States stocks are now selling at 97. Will they rise when Mr. Walker sends a new supply of them into market? But, if the stocks do not rise, where is Mr. Walker to get the money from? Borrow it on a *pledge* of Treasury notes! He *cannot sell* at less than par; but the act is intended to give him, I believe, authority to *pledge* the Treasury notes *at par*, and to obtain such sums on them as he can. He can pledge an hundred thousand dollars at six per cent. *at par*, and receive thereon only \$75,000 or \$50,000, as he can bargain, leaving the difference as additional security. If such is not the intention of the last clause of the fourth section, it is a useless one. But when he has pledged all that the capitalists can take of him, what then? He will pay public creditors with them; he will *buy* with them. How, Mr. Chairman? Will he force those creditors to take Treasury notes selling at 97 or 90 for their face in specie? That is out of the question. How then? Why he must pay just as much more in Treasury notes as the Treasury notes are bringing in the market *less than par*. If the notes are at ten per cent. discount, the War and Navy Departments are charged just ten per cent. more for the articles they purchase than is paid by those who deal in the common currency of the country. It amounts to the same thing in the end. This provision by law, that these notes should never be *sold* at less than par, would be well

enough if we could also provide that they should never be worth less than par. Suppose an individual merchant should take the ground that he would never pay more than six per cent. for money, and money is worth ten per cent. He finds himself compelled to borrow, but adheres to his determination; he goes to the wall, of course. He fails. The Government can no more keep its notes at par, when they are not worth par, than a merchant can.

I will hope, therefore, that the provision for pledging, at least, may be stricken out. Let the Secretary go into the market as any merchant in good credit would do; get his money openly and fairly for what it is worth. The country will have to pay what it is worth in one shape or other. We all know that. Let it be done in the light of day. Let the people see it. Do not disguise it by shuffling about with pawnbrokers, and by huckstering with public creditors.

Sir, I intend to vote the supplies whatever shape the bill may take, protesting against the means by which they are raised, and exposing these flagrant absurdities to the people. For, sir, though it is not in the power of the minority in this House to control events; though we cannot avert the evils which threaten us; though we cannot save the credit and honor of the country; though we cannot put aside the burdens which, successful or unsuccessful, war always binds upon the neck of the people; yet we can show the people how and why it is that they suffer, and call to a fearful reckoning the authors and architects of all this mischief. Suppose we pass this bill. Mr. Walker himself tells us that without a "tax upon tea and coffee" he shall be hard pushed to get his money on decent terms. And why, sir?

First of all, on account of the SUBTREASURY. I do not propose to examine in detail the objections to this barbarous system of collecting and disbursing the public moneys; though it strikes at the root of civilization, and lends all the aid and authority of our great Republic to the undoing of that credit and confidence among men which have been for centuries the substitutes for gold and silver, and have multiplied, to an indefinite extent, the resources and the comforts of mankind. It is enough for me, sir, that on its first suggestion it met with the decided condemnation of our people. Mr. Van Buren made an appeal to the "sober second thought" of that people, and the answer was more emphatic and more indignant than at first. It swept from the board all the men who had been mainly instrumental in introducing and recommending this odious and despotic measure. Once, twice, thrice, the people pronounced against it; and it was dead and buried, as we all thought, in the common grave of "obsolete ideas." No one seriously imagined that any sane politician would attempt to revive it; and yet one of the first measures of this Administration, and of this Congress, among many other equally extreme and violent manifestations of party feeling and purpose, was to set this machine agoing again, armed with all its original powers of destruction. And, in Heaven's name, for what possible good purpose? What evil was it to remedy? What desirable result was it to accomplish? What was it but a monstrous project to sever the mutual moneyed relations and dependencies of the people and the Government? What was it but the introduction of settled and permanent distinctions between the currency of the community and the currency of its rulers? What but the annihilation of those financial sympathies between *the head* and *the members* of the body politic, which can best give, or that can *alone* give,

life and impulse to the whole? What but vesting in the great financial operator of the country a monopoly of the coin, and thus an unlimited control over all our business and enterprise? What but giving to politicians in place an *absolute money power*, uncontrollable, irresponsible, to attain which we have laughed to scorn the improvements and the experience of ages, and sacrificed the business and hopes of the nation?

Why, sir, what a spectacle does this legislation exhibit! We are near the middle of the nineteenth century, and, by the agency of the printing press and the steam engine in the diffusion of intelligence, and the interchange of communication, we are enabled to profit by the accumulated wisdom of all time and space. What has been done in past ages, is laid up for us and spread abroad in the land. What is *doing* for the advancement of science and civilization, travels with almost lightning celerity from nation to nation. Never was a people better situated than ours are, to know and profit by every thing that the mind of man has accomplished or can devise for the amelioration of our condition, and the general progress of our race. We had largely profited by our noble opportunities. We had seen a system of confidence and credit supplanting the hard money system of earlier and ruder ages, substituting an inexpensive scrip of paper for ingots of gold and silver in conducting the complicated transactions of mankind, and carrying millions on millions from one extremity of the world to the other by a mere stroke of the pen. Gold in New York gave us credit at Canton; credit in New York or Canton, gave us credit in London or New Orleans. Thus the decreasing supply of the precious metals did not diminish the general circulation of the world. The deficiencies of gold and silver were made good by the immaterial substitute and representative of property that existed, and still exists, in the shape of commercial confidence and credit. In the enjoyment and use of these substitutes for the precious metals—the equally precious substitutes of integrity, enterprise, skill, ingenuity—we have seen the resources and energy of this country developed to an extent, that with the old currency of the world would have been impracticable; and under any system of things is almost incredible. It is because men have had confidence in each other and their Government, and because the masses throughout the world have had confidence in our free institutions, and because we have been able to give form and substance to this confidence by a cheap, instead of a costly, representative, that from three millions of people we have become twenty millions; that from an impoverished and exhausted Confederacy of thirteen States, we have become the mighty, rich, and powerful empire that we now are, proudly rivalling the only free nation on the face of the earth that has profited to the same extent that we have by these improved instruments and agencies of commerce. If we were to break up our noble fleets of merchantmen, strip them of sails, and explode our steam engines, and undertake to carry on our immense commerce with the remotest nations by means of Roman galleys or Indian canoes, we should exhibit but a faint type of the fatuity which contemplates the abandonment or destruction of the credit system, and a return to the sole use of the precious metals, as either the commercial or the popular currency of the country.

And now, sir, what is the great evil—the paramount, overshadowing, insurmountable evil—which results from the repudiation of this system by Government, and the return, on their part, to the barbarous system of hard money? The great blow is the withdrawal of the aid and countenance of Government from the system of confidence and credit. If this system is not

safe for the Government, it is not safe for the people. The credit system rests on the mutual trust, favor, and sympathy of the Government and the people. Both must have an interest in maintaining it. Withdraw from it the countenance of Government, to that extent you impair its efficiency and usefulness, and to the same extent you cripple the energies and the industrial resources of the people; all classes of the people, sir, farmers, mechanics, laborers, manufacturers, merchants. This inevitably *reacts* upon the Government, and Mr. Walker finds this *reaction* when he goes into the market to borrow money.

To illustrate some of the topics I have thus discussed by reference to details. A merchant myself, I know something practically of these matters; and we may say pretty safely, that even the best of shoemakers cannot know where the shoe pinches, like him who wears it.

I have a statement before me, which may convince gentlemen that Government can carry on all its operations with the same facility as banks and merchants in the ordinary currency of the country. The operations of Government are not so large, nor of such a nature, as to demand any different or any better currency for their transactions, or compel them to resort to any legislation exclusively for their supposed benefit. The statement to which I refer is a memorandum of the business of only six of the twenty-three banks in the city of New York, showing their business for ten consecutive days, from the first to the tenth of December, inclusive. The sum total of receipts, for that period, exceeds sixty millions two hundred thousand dollars, and the sum total of payments also exceeds sixty millions; making transactions exceeding the amount of one hundred and twenty millions, or about twelve millions a day. On all these transactions there was received and paid out in specie under two hundred thousand dollars, or something less than twenty thousand dollars a day. The vast residue was received and paid out without disturbing a single dollar of coin; and this whole business completed easily in the banking period of five hours. Now, sir, if the Subtreasury system is necessary or judicious in conducting the moneyed operations of Government, it must be equally wise in its application to the moneyed affairs of individuals. Suppose, for a moment, that the \$12,000,000 in question were daily weighed and counted in the six banks I have mentioned, bagged or barrelled, and carted about the city, to be carted back again probably to their original places of deposit. To all this trouble and vexation must be added the loss of time, the liability of mistake in the counting, the expense of transportation, and the risk of dishonesty in the carriers.

And when we reflect, Mr. Chairman, that these daily twelve millions of dollars represent transactions with every State, and every depot of provisions and merchandise in the Union, and with every commercial city, and with every quarter of the globe, we cannot but wonder at the simplicity and cheapness of the contrivances by which the necessary transfers of value are so readily effected; and we cannot but still more wonder at the utter folly and ignorance which would withdraw the Government of this country from the enjoyment or the recognition of their manifold advantages.

The specie basis of all these transactions does not exceed three millions of dollars in the vaults of the banks to which I have referred. The *actual basis* is millions of property, which is passed from hand to hand by the symbols of credit and confidence in use among merchants. Now, this specie basis, by the Subtreasury act, is put under the control, or into the hands, of the receiver of public moneys in the city of New York. He can abstract

it from the banks, and pile it up in the Treasury of the United States. The law makes it imperative on him to receive it, and nothing else, in discharge of the public dues, and to keep it after it is collected in his own coffers, and to make his own payments in it. What a state of things must this produce in time of peace, at the season of the year when there is a large amount of duties receivable. Why, sir, it makes gold and silver no longer a currency, but an article of merchandise. Specie will derive a fictitious value from the fact of there being large amounts wanted for the payment of duties at the custom house, which *must* be paid, and for which gold and silver must be got at all hazards. The law is inexorable; there can be no relief.

Look at the power that is thus given to a statute, that must have its operation under any and all circumstances. The evil may be postponed by neutralizing evils. The curse of the Subtreasury may be averted by wars, and the expenditures wars bring with them, and the necessity of Treasury loans and Treasury notes; or the issue, in other words, of Government paper, receivable in the payment of public dues. This course of things may for a while disarm the Subtreasury of some of its mischief. But sooner or later the mischief must come; and at that moment the Secretary of the Treasury will hold in his hands the destinies of the trading community.

You have given to an act of yours a power, which it will inevitably one day exercise, despotic over private rights, commercial interests, and the general welfare—a despotism more monstrous and hideous than any other on the face of the globe, because there is no human discretion or human charity which can be invoked to arrest its career of widespread ruin. It is only *your* intervention which can prevent such a calamity as I have foreshadowed, and that must anticipate its coming. When the evil is at work, it will be too late.

THIS ACT, sir, must and will be repealed. If we are wise we shall repeal it ourselves. Repealed it will be, for its practical inconvenience: repealed, as a financial absurdity: repealed, as a relapse into the darkness of barbarism: repealed, as at variance with the habits of our people; and a statute insult to their intelligence: repealed, as a reproach to civilization and the spirit of the age. Repealed it will be—if not by the present or the next Congress, at furthest by that which will greet the advent of a new administration—an administration which I fondly hope will repair the evils, correct the blunders, supply the deficiencies of the present, and exhibit more energy and devotion in works that may benefit and bless mankind, than the present has exhibited in its works of overthrow, subjugation, and destruction.

Mr. Chairman, I remember among the arguments urged against this system in former debates, was the suggestion that it created one currency for the officeholders and another for the people, and tended to monopolize what its authors called the better currency for the officeholders. Now, sir, did you ever see a pay day in the Departments? The time was when a clerk took his wages in a bit of paper, perhaps that he could put into his waistcoat pocket, and which answered his purposes without any inconvenience. Now, I am informed, his monthly or quarterly stipend is sent to every employé of the Government in a canvass bag, which is kindly loaned him by the disbursing officer to carry home his ponderous wages in. Each of these bags is marked and numbered, and is labelled in conspicuous characters, "Bring back the bag!" Mr. Chairman, I fancy I can see this interesting procession, on the first or last day of the month, as the case may be, wending

their way from the respective Government buildings, each member of it bearing his bag. They make the circuit of the city, paying here and there their little monthly bills, and soon find they have nothing left but their bags. They unite again, in a melancholy procession, to replace their empty bags, valued *one cent each*, in the Treasury of the United States. The only advantage that has hitherto accrued to the officeholders from the introduction of the Subtreasury has been the privilege of paying their debts in gold and silver, and of "bringing back the bag." The tradesmen who receive the coin deposite a large amount of it forthwith in their banks, while some little of it passes into the general circulation of the country.

However, Mr. Chairman, it must be confessed, if we can credit the Secretary of the Treasury, we are growing so immensely rich under the beneficent operation of the new tariff that we ought to submit to all these absurdities without repining. I do suppose, sir, that no country ever became so suddenly enriched in literally less than no time by the operation of any legislative act. Jack's bean, in the nursery story, that climbed to the housetop in a single night, need excite no further marvel in infant minds. Fairy tales may be culled henceforth from the reports of our Secretaries of the Treasury.

There occurs in the last annual report of the Secretary the following extraordinary passage: "The aggregate value of cotton, rice, wheat, rye, Indian corn, oats and barley, was, on the 30th July, 1846, under the *old tariff*, \$493,331,906; and on the 1st December, 1846, when the *new tariff* went into effect, \$609,287,565—making an aggregate difference in the prices of \$115,955,659." Here the implication is of course that this great increase of value is the result of the *prospective tariff*. Mr. Walker, by this statement, intends this, or he intends nothing but an attempt at juggling and deception too gross to deceive or juggle any body. True, it may be that a short crop of cotton on this side the water, and a short crop of breadstuffs on the other side, have stimulated demand somewhat, partly real and partly speculative, and created a rise in prices to some extent, but in no manner or form connected with the new tariff or old tariff.

Why, sir, on the 1st of December, 1845, when the old tariff was in operation, flour was worth *one dollar and a half* more per barrel than it was on the 1st of December, 1846, when the *new tariff* commenced to operate. Yes, sir, on that very last mentioned 1st of December, when the English free trade was in operation, flour, as shown by a table prepared from actual sales by a flour dealer, was *one dollar and eight cents* a barrel less than it has averaged for the last *fourteen years*. Was this the consequence of the new tariff? If I followed the implied reasoning of Mr. Walker, I should say that it was; but, as long as my sanity is spared, I never shall run the risk of losing the reputation of it by propounding any such absurdities.

But I must cite one more paragraph from Mr. Walker, pushing this matter a little further: "Supposing," says Mr. Walker, "the agricultural products of the United States to have been of the value of *fifteen hundred millions of dollars*, at New York prices, in July; and supposing other articles to have risen in price in the same proportion as those in the table, 'the increase in value in December is equal to three hundred and fifty millions five hundred thousand dollars.'" Here, surely, is an accession to the national wealth—nearly *four hundred millions* of dollars in the space of four months. And yet, sir, supposing Mr. Walker to be correct in his statement—which, to be sure, is a matter of guesswork, mere idle gossip—and

what a small per centage of all this increase is realized from foreign markets, or forms any real addition to the national wealth! How trifling a portion, comparatively, of all this produce, is exported. -But Mr. Walker himself seems to feel that he has been drawing rather a long bow in this business, and "supposes" another case for the edification of the President and Congress. "Supposing the average rise in prices to be equal to *only* 'one half of what is stated in the table, the increase in value is equal to '\$176,250,000.'" Even this, sir, is certainly a very large sum of money, and it would take Mr. Walker's clerks and receivers a long time to count it over in hard coin; and, if the *nation* has been so largely enriched by the *anticipated* benefits of Mr. Walker's tariff, how doubly disgraceful to the Administration is the impoverished condition of the public Treasury, and the miserable condition of the national credit! The people are becoming so very rich, while the Government is becoming bankrupt! And Mr. Walker tells us, in this state of things, he wants always to keep on hand *four millions* at least of specie, locked up in the Treasury. He is not the first man who has made this use of gold and silver. We read in holy writ of another "unprofitable servant," who was no wiser than Mr. Walker, though we may sincerely hope that Mr. Walker may be more fortunate in his fate. But, in spite of his predilection for coin, Mr. Walker, by his own acts, is reduced to the miserable makeshift of Treasury notes; or, in other words, *mere paper post notes*, sent out on a credit! There is not a bank in the city of New York from which a loan at six per cent. could not be procured. And yet the Treasury, which repudiates these institutions, and pretends to establish for itself a better currency and a better credit, suffers its paper to be hawked about at a discount, and is quoted daily in the public prints at two or three per cent. below par. Yes, sir, with all this vast addition to the wealth of the people that Mr. Walker claims for his measures, in spite of this one hundred and seventy-six millions of increase, his graceless constituents refuse him the trifle of a two or three million tax upon tea and coffee, though he tells them, with tears in his eyes, that he cannot possibly get along without it. And, rich as we are growing, Mr. Walker proposes to mortgage the fair and free domains of this great country to Dutch or English money-lenders; to pledge the future revenues of this magnificent empire to foreign capitalists, or to any body who will consent to take his bonds.

Why, sir, foreign nations may well suppose us to be in imminent danger of bankruptcy, repudiation, and every imaginable disaster and disgrace, when the Secretary of the Treasury himself so far trifles with the credit and honor of the country as to publish to the world that he could not negotiate his loan on favorable terms, unless Congress would tax tea and coffee. And when Congress, by a marked vote, refuse to grant him this indispensable requisition, he proposes no substitute, but comes to us with a new demand for three and twenty millions of dollars, which he himself has pronounced to the world cannot be disposed of except on unfavorable terms.

And permit me to add, Mr. Chairman, it is to be attributed somewhat to this lauded *tariff* of 1846, as well as to the Subtreasury which I have just been considering, that Mr. Walker owes the difficulties which must embarrass the negotiation of his loan. Capitalists want to see clearly where the money is to come from to pay before they lend. They are not so fond as some of our friends are of operating in the dark.

We were told by a gentleman from Indiana, in the Oregon debate of last

winter, that the western Democracy "went it blind" on the Texas question, in the expectation that their southern brethren would return the compliment by going it blind for Oregon up to fifty-four-forty. I imagine that the Texas question is not the only one in which those gentlemen "went it blind." On this very tariff they "went it blind," as they will ere long themselves discover. On the Subtreasury they "went it blind," and continue to go it in all their original blindness. Nor is this propensity confined to the members of the *House*. Looking to the Cabinet, we find that it is still the story of the blind leading the blind, and we all know where this march terminated. Mr. Marcy "went it blind" when he published to the world, a few days before Mr. Walker's last public appeal to the money-lenders in Wall street, that there would be no more troops called out for the prosecution of this war. Mr. Walker "went it blind" when he wrote his letter to the chairman of the Committee of Ways and Means, staking his financial success on the passage of the tea and coffee tax. And, as for the President himself, we all know that Santa Anna threw dust in *his eyes*!

The policy of the Administration, Mr. Chairman, seems to be a game of cross purposes. Looking at the report of the Secretary of the Treasury, the end and aim of Government seem to be to divert labor from manufactures to agriculture. Immense estimates are presented of our agricultural products, and of the vast accession to our national wealth by the increasing value or prices of our cotton and breadstuffs. We are sent back to the soil. There we must earn our bread by the sweat of our brow, and grow rich by consuming *ninety-five-hundredths*, of our products within our own territory, provided we pass them from one to another at *considerable* prices. But, whilst we are to be an agricultural people, we are to indulge in expensive wars of conquest, and to depreciate the value of our own lands and their products by vast territorial accessions. To carry on wars, sir, we must be a rich people. It is an expensive game for the country. We must build, and create, and bring the aid of machinery and the steam engine to the production of the means of war. A late popular English writer says, "it is the spinning jenny and the steam engine that we must look to as the true moving powers of our fleets and armies, and the chief support also of a long-continued agricultural prosperity."

Nations purely agricultural are, and must continue to be, comparatively poor; and, if they would be prosperous, they must enjoy permanent and uninterrupted peace. Invincible while acting on the defensive, they must entertain no scheme of aggrandizement—no project of aggression. Their citizens cannot be withdrawn from their daily labors. They cannot reap in the autumn when they have not sown in the seed-time, and watered and watched in the summer. Personal and constant attention must be given to their crops, and the whole process must be conducted by the slow toil of human hands. From men devoted to such pursuits you cannot take the means of war, without robbing them of the means of life. True it is that our brilliant Secretary informed the Senate, in his *lecture*—for it can hardly be called a report—under date of August last, that the operation of the tariff adds nothing to "the *aggregate* wealth of the country, because it does *not increase labor*." Now, sir, it is the labor-saving machinery which the tariff puts in operation—by the aid of the winds, the waters, or the steam engine, doing the labor of a thousand hands by the guidance of a single pair, that multiplies to an extent incalculable the productive labor, and consequently the *aggregate wealth* of nations.

Strange it is, and almost without parallel in the annals of political infatuation, that, at the very time the country has the most need of its wealth; at the very time, of all others, when it is most necessary to stimulate manufacturing production, and augment the national revenue; at the very time it is most essential to nurse all our economical resources, to cherish the national credit to the utmost, and increase the facilities of financial operations, individual and national, the Administration should descend upon the country with a series of measures calculated only to cripple, embarrass, and impoverish it.

You disturb the commercial world by a pretended adoption of a Government currency exclusively metallic, and the *actual issue* of mere Government paper. You venture upon an experimental tariff of revenue, substituting it for one of known and tried sufficiency, and provide for your extra expenditures in the conduct of a foreign war by the mortgage of your national domain. And as to this aimless and destructive war, which was begun Heaven only knows why, and which will be ended Heaven only knows how, or when, or on what terms, no two members of the Cabinet, I presume, agree upon the questions which the termination of this war involves. One would be satisfied with indemnity from a nation which is unable to pay; another would like soil with slavery, and a third without it. One would go to the Rio Grande; another would take all west and north of a line drawn from the mouth of the Rio Grande to the Pacific; and a third would be satisfied with nothing short of a revel in the halls of the Montezumas, and the territory down to the isthmus. And it is to the prosecution of such a warfare that all other interests, public and private, are to be sacrificed. Our rivers and harbors must go unprotected and unimproved, that Mr. Polk may carry on his war. We must continue to pay tribute to English steamers for carrying our letters and passengers across the Atlantic and the world over, because the Postmaster General cannot see his way clear to advise any recognition or aid to private enterprise in this behalf. Money honestly due for nearly half a century, on the score of French spoliations, must be withheld from its rightful owners, because it is wanted to help along Mr. Polk's war. Private claimants of every name and nature are turned away from your Departments, and turned away with neglect, if not insolence, from this Hall; and we cannot even hear, much less consider their demands, because Mr. Polk wants *their* money to carry on *his* war! And with what fairness, Mr. Chairman, can this military chieftain of ours, as he has done in the annual message, in one breath contend that we have good cause of war against Mexico for not paying her debts, and in the next advise Congress to withhold the paying of our own debts, in order that we may prosecute this war!

And by this policy, Mr. Chairman, in what relation are we placing ourselves to the other nations of the earth? What is England about, while we are sacrificing all our industrial and national interests to this unnecessary warfare? Doing as she always does—lending a helping hand to her people in all quarters; letting in wheat and breadstuffs to feed the starving population of Ireland; and cozening Mr. Walker into the relief of Manchester and Birmingham, by putting the screws upon Providence and Lowell; and into the aid of Newcastle and Wales, at the expense of Maryland and Pennsylvania. It was the failure of the potato crop to the amount of seventy-five millions of dollars, and the dangers of dealing with a famished population, that brought about all this seeming complaisance which the English Government and the English journals extend to our democratic Presi-

dent and Secretary, by their remedial measures of relaxation and repeal. England is not growing rich—as we are under Mr. Walker's auspices—by merely *marking up* the price of her goods, but by improving her machinery and pushing her manufactures; opening, by steam communication, new markets for them in all quarters of the globe; and bringing to the aid of her merchants, and of her skilful and enterprising citizens, the favor and encouragement of public protection and patronage. It is thus that she has suddenly become the great steam-carrier of the mail and of travellers in every quarter of the civilized world; and the world, consequently, has become dependant upon her for locomotion and intelligence. Every letter, every traveller, contributes towards the support of this enlightened and liberal policy, which yearly adds immensely to England's wealth and England's power. Would to God that we might profit by her wisdom!

But, after all, Mr. Chairman, stripped of its disguises, what is this measure but a clumsy attempt, on the part of the Secretary, to do away, as far as possible, the evils of one bad act through the medium of another bad act. It is a mere temporary repeal, to all intents and purposes, of the Subtreasury, by the passage of a bill which renders it practically inoperative and unavailing. It is extending our metallic currency by the issue of that worst possible of "rag money," as our Democratic friends rejoiced at one time in calling it—Government paper. The evil of the Subtreasury recoils upon the heads of its inventors, and they now petition us to relieve them from its disastrous consequences—not in a fair, open, and honorable manner, but covertly and by a *trick*. Instead of proposing manfully to repeal that oppressive and absurd measure, and relieve the country forever from the curse of it, Mr. Walker proposes to flood the land with \$28,000,000 of treasury paper, in denominations as small as fifty dollar bills.

But what will be the immediate effect of this immense issue of paper money? Ten millions or so of the issue the country may possibly bear without injurious effects; but as you augment the supply beyond this amount, will come the risk of depreciation; and who will be the sufferers? Already, if reports are true, have our poor soldiers been the losers of some 10 to 15 per cent. of their hard-earned wages in the exchange of treasury paper now issued for their necessities, and we shall hardly improve their value by increasing the issue \$23,000,000 more. In the passage of this bill the predictions of the Opposition are all realized. The specic Subtreasury act is about to form the basis of an *immense Government-paper bank*, which will tend, by its own issues, to create an inflated value of property, and lead to a future revulsion of distress and ruin.

And what will be the situation of Government *a year hence*? If the war continues, as it no doubt will, and continues to be as unwisely managed at headquarters as it has been, at least a loan of fifty millions of dollars more will be required. With a floating paper debt already of \$28,000,000, what must then take place? Will you add this \$50,000,000, too, to your paper currency? Or will you compel the Administration to counsel together for the welfare of the country, rather than for the preservation of mere party bonds and pledges, and compel them to remove the millstone from their own neck and that of the people?

